

HEALTH REFORM and VACCINES: Review of Federal Legislation

***The Patient Protection and Affordable Care Act (PPACA)
And
The Health Care and Education Reconciliation Act***

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June 2, 2012

Presentation Outline

Topics

1. Employer Plans
2. Medicaid
3. Medicare
4. Quality and innovation
5. Population Health and Prevention Initiatives
6. Research
7. School-based Health Centers
8. Funding for Vaccine Programs
9. Workforce Issues

Employer Plans

Small Employer plans = 1-100 employees (may be limited to 50 employees before 2016)

Large employer plan = 100+ employees

Source: Title I – Quality, Affordable Health Care for All Americans; Subtitle D – Available Coverage for All Americans; Sec. 1304. Related Definitions

PRIVATE INSURANCE REFORMS (Pre-2014)

There are exceptions for grandfathered plans, however many plans have implemented the changes

DEPENDENT COVERAGE	To age 26
PREVENTIVE BENEFITS EFFECTIVE: 1st Plan Year after 09/1	Preventive benefits with no cost-sharing: A or B (USPSTF). ACIP recommended immunizations, Preventive care for children & additional care/screenings for women recommended by HRSA.
PRE-EXISTING CONDTI	No pre-existing condition exclusions for children <19
TAX CREDITS AND HIGH RISK POOLS	Small employer tax credit (<25 employees moderate average annual wage, and subsidized high risk pools for individuals with pre-existing conditions and uninsured for 6 months or longer
REINSURANCE	For firms covering retirees 55+ and not eligible for Medicare
RECISSIONS	Barred except in cases of intentional fraud
LIFETIME CAPS	Lifetime caps barred and annual limits regulated
PREMIUMS	Rate reviews for unreasonable rate increases, beginning 2010
MEDICAL LOSS RATIO	Medical loss ratio reporting, rebates in 2011 for group plans not meeting 85% MLR & individual plans not meeting 80% MLR
CONSUMER WEBSITE	Consumer website and information improvement

Source: Title I, Subtitle A

PRIVATE INSURANCE REFORMS (2014)

Qualified Plans sold in STATE EXCHANGES

Available to individual and small group markets (100 or fewer full-time employees, state option to set at 50 or fewer until 2016)

Benefits and Services

1. **Essential benefits**
2. **Preventive services: USPHSTF & HRSA women/children**
3. **No cost-sharing for preventive services**
4. Consumer protections
5. Waiting periods limited to 90 days
6. No prior approvals or higher out of network cost sharing for emergency care
7. Prohibition against health status discrimination No denial based on pre-existing conditions
8. Coverage for approved clinical trials
9. No lifetime or annual limits

Consumer Protection

1. Limits on annual cost sharing exposure
2. Caps on annual out-of-pocket spending
3. Prohibits discrimination against providers, individuals, employers
4. Rescissions barred

Insurer Practices

1. Rules on premium rating/pricing: Prohibits gender discrimination
2. Accounting for the cost of insurance
3. Non-discrimination in favor of highly compensated employees
4. Review of premium increases

Self-insured ERISA group health plans & large insured group health plans operate outside of rules governing exchange plans

Source: Title I, Subtitle A

ESSENTIAL BENEFITS (2014)

APPLIES TO: State-regulated insurance including insurance in exchanges
DOES NOT APPLY TO: ERISA-governed, self-insured plans, insured plans >100
 (states may reduce to <50) This provision sunsets after 2016

BENEFIT CLASSES	Prevention & wellness services & chronic disease management Pediatric services including oral and vision care Prescription drugs Ambulatory patient services Emergency services Hospitalization Maternity & newborn care Mental health and substance use disorder services including behavioral health treatment Rehabilitative and habilitative services and devices Laboratory services
NON-DISCRIMINATION	Based on age, disability, or expected length of life
DIVERSE POPULATIONS	Consider the health care needs of diverse population segments including women, children, persons with disabilities, and others
EMERGENCIES	Emergency access rules
UTILIZATION MANAGEMENT	Secretary barred from prohibiting “commonly used” utilization management techniques as of date of enactment.

Source: Title I, Subtitles A and C.

GRANDFATHERED PLANS

GRANDFATHERED PLANS MUST IMPLEMENT CERTAIN IMMEDIATE CHANGES

No lifetime limits or annual limits

No rescissions

Includes coverage for adult children up to 26

No denials of coverage for children with pre-existing conditions effective 2010; all others effective 2014

Waiting periods – 90 day limit

Uniform explanation of coverage

Medical loss ratio and rebates

GRANDFATHERED PLANS ARE NOT REQUIRED TO INCLUDE ALL CHANGES

Preventive benefits without cost sharing

Essential benefits

Limits on cost sharing

Other patient and consumer protections applicable to new plans

Prohibition on health status discrimination

Coverage for approved clinical trials

NOTE: Rules have been issued related to the circumstances under which an existing plan may forfeit grandfather status.

Source: Title I – Quality, Affordable Health Care for All Americans; Subtitle C – Quality Health Insurance Coverage for All Americans; Part II – Other Provisions; Sec. 1251. Preservation of right to maintain existing coverage

Public Funding: Medicaid

New Mandatory Categories

(Supreme Court Decision (06/12): Categories are no longer mandatory)

New Optional Categories

Legal Immigrants

New Prevention Benefits – Optional Adult Vaccine Coverage

Physician Reimbursement

MEDICAID – ELIGIBILITY AND BENEFITS

Public insurance for low income individuals and families

<p>NEW MANDATORY CATEGORIES RECOMMENDED, not mandatory</p> <p>Effective Date: 01/01/14</p>	<p>ADULTS: All “newly-eligible” individuals with income at or below 133% of FPL, 2009: \$14,404 single, \$29,327 family of 4.</p> <p>CHILDREN AGES 6 to 19: Changes from 100% FPL to 133% FPL.</p> <p>FORMER FOSTER CARE CHILDREN: If they aged out by 03/23/10.</p>
<p>OPTIONAL CATEGORIES Effective Date: 07/01/10</p>	<p>All non-elderly, non-pregnant not entitled to Medicare above 133% of FPL through a State Plan Amendment</p>
<p>LEGAL IMMIGRANTS Section 10104</p>	<p>Income less than 133% FPL. Five-year waiting period during which will be eligible for exchange purchasing and subsidies..</p>
<p>BENEFITS</p>	<p>Essential Benefits /Benchmark</p> <p>Prescription Drugs</p> <p>Former Foster Care Children: All Above + EPSDT</p>

Source: Title II, Subtitle A – Improved Access to Medicaid; Section 2001. Medicaid coverage for the lowers income populations

MEDICAID – IMMUNIZATION COVERAGE

Adults

OPTIONAL

States may elect to provide:

1. Adult immunizations recommended by the ACIP &
2. Vaccine administration for adults

FMAP INCREASE

1. States that **elect** to cover adult vaccines &
2. Prohibit cost-sharing
3. Will receive increased Federal Medical Assistance Percentage (FMAP) of 1% for immunization services

Source: Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle B – Increasing Access to Clinical Preventive Services; Sec. 4106. Improving access to preventive services for eligible adults in Medicaid

MEDICAID – PRIMARY CARE SERVICES

REIMBURSEMENT:
**Payment rates to primary
care physicians who provide
primary care services**

At least 100% of Medicare payment rates in 2013 and 2014.

States will receive 100% federal funding for the additional costs of meeting this requirement.

DEFINITION:
Primary Care Services

Includes services related to immunization administration for vaccines and toxoids.

Source: The Health Care and Education Reconciliation Act TITLE I – COVERAGE, MEDICARE, MEDICAID AND REVENUES; Subtitle C – Medicaid ; Sec. 1202. Payments to primary care physicians.

Medicare:

***Coverage
Reimbursement
Research and Outreach***

MEDICARE – COVERAGE

Federally administered health insurance for persons aged 65 and over

NEW COVERAGE

Effective: 01/01/11

1. An annual wellness visit
2. Development of a personalized prevention plan

CO-INSURANCE / DEDUCTIBLE

Effective: 01/01/11

Does not apply to:

- 1, Personalized prevention plan services or
2. Any grade A or B USPSTF covered preventive service

COVERAGE MODIFICATION

Effective: 01/01/10

The Secretary may modify coverage of any currently covered Medicare preventive service when the change is consistent with USPSTF recommendations and are not used for diagnosis or treatment.

Source: TITLE IV - PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH ; Subtitle B – Increasing Access to Clinical Preventive Services; Sec. 4103. Medicare coverage of annual wellness visit providing a personalized prevention plan.
Sec. 4104. Removal of barriers to preventive services in Medicare; Sec. 4105. Evidence-based coverage of preventive services in Medicare.; Sec. 10406

Medicare – Wellness and Personalized Prevention

1. **ANNUAL WELLNESS VISIT**
2. **COMPREHENSIVE HEALTH RISK ASSESSMENT**
3. **PERSONALIZED PREVENTION PLAN**
 1. A 5 to 10-year screening schedule
 2. A list of identified risk factors and conditions and a strategy to address them
 3. Health advice and referral to education and preventive counseling or community-based interventions to address modifiable risk factors such as physical activity, smoking, and nutrition
 4. Beneficiaries are eligible for the initial preventive physical exam in their first year of coverage and for personalized prevention services annually thereafter.

Source: TITLE IV - PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH ; Subtitle B – Increasing Access to Clinical Preventive Services;
Sec. 4103. Medicare coverage of annual wellness visit providing a personalized **prevention plan**.

Sec. 4104. Removal of barriers to preventive services in Medicare; Sec. 4105. Evidence-based coverage of preventive services in Medicare.; Sec. 10406

MEDICARE Part B - VACCINES

Enacted in 1965: Excluded coverage of vaccines as preventive services

ELIGIBLE POPULATIONS: Individuals entitled to Part A and others age 65 and older

1981	Pneumococcal (once per lifetime)
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1984	Hepatitis B (risk-based)
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1993	Influenza (annually)
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1993	Administration Fee (Regional differences)
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MEDICARE PART D - VACCINES

Includes FDA-approved vaccines not covered under part B
Coverage varies by Part D Plan

Source: Medicare: A Primer. March 2007. Kaiser Family Foundation. www.kff.org

MEDICARE Part B - REIMBURSEMENT

REIMBURSEMENT FOR PREVENTIVE SERVICES: HOSPITAL OUTPATIENT DEPARTMENT

Any preventive services furnished by an outpatient department of a hospital shall be reimbursed at 100%, rather than under the prospective payment system for outpatient departments.

DEFINITION: Preventive Services

1. Pneumococcal, influenza and hepatitis B vaccines
2. Initial preventive physical examination
3. Personalized prevention plan services

Applicability to Part D is unclear.

Source: TITLE IV - PREVENTION OF CHRONIC DISEASE AND IMPROVING PUBLIC HEALTH; Subtitle B – Increasing Access to Clinical Preventive Services

MEDICARE – RESEARCH AND OUTREACH

STUDY: Office of the Inspector General	Compare prescription drug prices paid under the Medicare Part D program to those paid under State Medicaid programs.
STUDY: General Accounting Office	GAO is authorized to conduct a study of: <ul style="list-style-type: none"> • the utilization of and payment for Medicare covered preventive services, • the use of HIT in coordinating such services, and • whether there are barriers to the utilization of covered preventive and HIT services.
STUDY: Comptroller General	CG shall conduct a study on the ability of Medicare beneficiaries aged 65+ to access routinely recommended vaccines covered under the Part D. Study released.
OUTREACH PROGRAM	The Secretary will conduct a provider and beneficiary outreach program regarding covered preventive services.

Source: Title III – Improving the Quality and Efficiency of Health Care; Subtitle D Medicare Part D Improvements for Prescription Drug Plans and MA-PD Plans, Sec. 3313, Office of the Inspector General studies and reports. Title IV; Subtitle C Creating Healthier Communities, Sec. 4204 Immunizations Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle B – Increasing Access to Clinical Preventive Services.

Healthcare Quality and Innovation:

Improve health outcomes

Coordinate care

Prevent hospital readmissions

Improve patient safety

Promote wellness and health

Ensuring Quality Care – Private Insurers

The Secretary, in consultation with experts in health care quality and stakeholders, shall develop reporting requirements for insurers to report on their initiatives and programs that:

- Improve health outcomes by using care coordination and chronic disease management
- Prevent hospital readmissions and improve patient safety, and
- Promote wellness and health.

Source: Title I – Quality, Affordable Health Care for All Americans; Subtitle A – Immediate Improvements in Health Care Coverage for All Americans; Sec. 2717. Ensuring quality of care.

Population Health & Prevention Initiatives

Investments in Public Health Outreach and Education

POPULATION HEALTH & PREVENTION INITIATIVES

**National
Prevention, Health
Promotion and
Public Health
Council**
Sec. 4001

1. Establishes a Federal interagency council to promote healthy policies .
(HHS, Agriculture, Education, Labor, Transportation)
2. Establish a national prevention and health promotion strategy
3. Report annually to Congress on health promotion activities and progress
toward meeting goals of the national strategy *(Due 03/23/11)*

**Prevention and
Public Health Fund**
Sec. 4002

1. Established to invest in prevention, wellness and public health programs, &
activities authorized by the Public Health Service Act
2. Mandatory appropriation
3. \$15 billion over 10 years (\$2 billion/year beginning in FY2015)
4. \$500 million in FY10; \$750 million in FY11

**Clinical and
community
preventive services**
Sec. 4003

Expands the efforts of, and improves the coordination between The U.S.
Preventive Services Task Force and The Community Preventive Services Task
Force.

**Education and
outreach campaign
regarding
preventive benefits**
Sec. 4004

The Secretary will convene a public/private partnership to conduct a national
prevention and health promotion outreach and education campaign to raise
awareness of activities to promote health and prevent disease across the lifespan.

Source: Title III – Improving the Quality and Efficiency of Health Care; Subtitle D – Medicare Part D Improvements for Prescription Drug Plans and
MA-PD Plans, Sec. 3313. Office of the Inspector General studies and reports.
Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle B – Increasing Access to Clinical Preventive Services

Population Health and Prevention Strategy

EVALUATION ACTIVITY

The Secretary shall evaluate the effectiveness of existing Federal health and wellness initiatives and report to Congress whether the programs have been effective in achieving their stated goals and evaluate their effect on the health and productivity of the Federal workforce

DEMONSTRATION PROGRAM

The Secretaries of HHS and the CDC may award grants to states to improve the provision of recommended immunizations for children, adolescents, and adults through the use of evidence-based and population-based interventions.

Source: Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle E – Miscellaneous Provisions, Sec. 4402 Effectiveness of Federal health and wellness initiatives.

Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle C – Creating Healthier Communities; Sec. 4204. Immunizations.

Research: Funding and Reporting

The Secretary of Health and Human Services, through the Director of CDC, shall provide funding for research in the area of public health services and systems that will:

1. Examine evidence-based practices relating to prevention, with a particular focus on high priority areas as identified in the National Prevention Strategy or Health People 2020
2. Analyze the translation of interventions from academic settings to real world settings, and
3. Identify effective strategies for organizing, financing, or delivering public health services in real world community settings.

Research supported under this section shall be coordinated with the Community Preventive Services Task Force and carried out with existing Federal, state, local, and private partnerships and initiatives.

- The Secretary shall report findings to Congress annually

School-based Health Centers

SCHOOL BASED HEALTH CENTERS

Authorizes a grant program for the operation & development of School-Based Health Clinics

ENTITIES AWARDED GRANTS

- 1) School-based health centers, located in or adjacent to a school facility and administered by a sponsoring facility
- 2) Provide **comprehensive primary health services** during school hours to children and adolescents by licensed health professionals

CPH = physical: comprehensive health assessments, diagnosis and treatment of minor acute and chronic medical conditions and referrals to and follow-up for, specialty care and oral health services, and mental health services

PREFERENCE

Given to centers serving a significant Medicaid/CHIP population

PARENTAL CONSENT

Required before the provision of health care services to minors.

FUNDING

Appropriates \$50 million each year for FY2010 through 2013 for expenditures for facilities, equipment and staff.

Source: Title IV – Prevention of Chronic Disease and Improving Public Health; Subtitle B – Increasing Access to Clinical Preventive Services; Sec. 4101 School-based health centers.

Funding for Vaccine Programs

FUNDING FOR VACCINE PROGRAMS

CDC CONTRACTS

Allows States to purchase adult vaccines under CDC contracts.

GRANTS

Provides grants to States to improve immunization coverage of children, adolescents, and adults through the use of evidence-based interventions.

Funds may be used to implement interventions recommended by the Community Preventive Services Task Force such as: reminders or recalls for patients or providers, home visits **Grants awarded.**

SECTION 317

The Immunization Program in Section 317 of the Public Health Service Act is reauthorized.

SOURCE: TITLE IV - Prevention Of Chronic Disease and Improving Public Health; Subtitle C – Creating Healthier Communities; Sec. 4204. Immunizations.

Workforce Reimbursement, Training and Readiness

WORKFORCE REIMBURSEMENT, TRAINING AND READINESS

PRIMARY CARE EXTENSION PROGRAM

The Secretary shall establish a Primary Care Extension Program to educate providers about preventive medicine, health promotion, chronic disease management, mental and behavioral health services and evidence-based and evidence-informed therapies and techniques.

AHRQ GRANTS

Award planning and program grants to State hubs including, at a minimum, the State health department, State-level entities administering Medicare and Medicaid, and at least one health professions school.

Hubs are undefined.

STATE HUBS MAY ALSO INCLUDE:

Quality Improvement Organizations, AHECs, and other quality and training organizations

Source: TITLE V – HEALTH CARE WORKFORCE; Subtitle E--Supporting the Existing Health Care Workforce; Sec. 5405. Primary care extension program.

Summary

Review of Federal Health Reform Legislation

1. The Patient Protection and Affordable Care Act (PPACA)
2. The Health Care and Education Reconciliation Act

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